
RICE: WORLD MARKETS AND TRADE

MONTHLY HIGHLIGHTS:

Indonesian Imports Down in CY 2004: With record production and ample domestic supplies, Indonesian rice imports are estimated to drop 1.0 million tons to 2.0 million in CY2004. Additionally, market observers anticipate that the government will soon make policy changes to limit imports, such as increasing the tariff and quantitative restrictions and/or seasonal bans.

PRICES:

International: Since last month, Thai export price quotes increased largely due to strengthening of the Thai baht. Thai 100B jumped \$9 to \$210 per ton, FOB. In Vietnam, with virtually no exportable supplies, export price quotes have generally moved sideways over the past few weeks. Viet 5% is up \$1 since last month to \$197 per ton, FOB. Indian 5% export price quotes are again flat, month-to-month, at \$197 per ton, FOB, and the government is expected to consider fresh export bookings only after reviewing the stocks situation by the end of January.

Domestic: U.S. rice export price quotes are up this month. U.S. #2/4 long grain milled rice is up about \$11 and is currently quoted at \$362 per ton, FOB. Price quotes for U.S. #1/4 medium grain milled rice from California are up \$5 from last month at \$515 per ton (bulk, ex-spout Sacramento). This price increase is primarily the result of normal seasonal shipment patterns to Japan.

TRADE CHANGES IN 2004

Selected Exporters

- **China** down 250,000 tons to 2.25 million due to smaller production and lower stocks.
- **India** down 500,000 tons to 2.0 million based on tight stocks and the government's policy decision to slow exports by (1) discontinuing fresh Food Corporation of India stock allocations to exporters and (2) increasing the sale prices of rice for export, including outstanding export commitments.

Selected Importers

- **Indonesia** down 1.0 million tons to 2.0 million given record production and anticipated policy limitations on imports.
- **Philippines** up 500,000 tons to 1.0 million as consumption continues to outpace production. Additionally, it is estimated that a portion of stocks is not fit for human consumption.

TRADE CHANGES IN 2003

Selected Exporters

- **Thailand** up 250,000 tons to 7.5 million based on near year-end export statistics.
- **Vietnam** down 205,000 tons to 3.795 million based on year-end export statistics.
- **United States** up 50,000 tons to 3.850 million based on export pace.

Selected Importers

- **Bangladesh, Cuba, Ghana, Haiti, Indonesia, and Saudi Arabia** changes are based on import pace.